

## FOOD AND NUTRITION SERVICE

### FISCAL YEAR 2001 ANNUAL PERFORMANCE PLAN

The Food and Nutrition Service (FNS) is the Federal agency responsible for managing the domestic nutrition assistance programs. Its mission is:

**To increase food security and reduce hunger in partnership with cooperating organizations by providing children and low-income people access to food, a healthful diet, and nutrition education in a manner that supports American agriculture and inspires public confidence.**

This FNS Annual Performance Plan describes what the agency plans to accomplish during fiscal year 2001 toward fulfilling this mission. It identifies key performance goals that support achievement of the FNS Strategic Plan, describes means and strategies to be used in pursuit of those performance goals, and links the agency's resources for fiscal year 2001 to each Strategic Goal.

#### Strategic Plan Revision

This Annual Performance Plan is based on the *FNS Strategic Plan 2000-2005*, a major revision of the agency's 1997-2002 strategic plan. The new plan is designed to be simpler and more comprehensive, consolidating the old plan's six program-focused goals and 20 objectives into two cross-cutting goals with five related objectives. It better reflects the ways that Federal nutrition assistance programs work together to achieve the agency's mission, and permits a more complete allocation of the budget across the plan.

FNS engaged in an extensive stakeholder input process in revising the plan, including regional and National stakeholder meetings, discussions with FNS employees, and a website offering information on the proposed revision and soliciting comments. FNS received a large volume of input; most was supportive of the revised plan structure, though some changes were suggested and made. The agency intends to use the revised plan, and related performance plans, to work with our program partners toward shared goals.

Because the Fiscal Year (FY) 2001 Annual Performance Plan is based on the new Strategic Plan, performance goal and resource information for prior fiscal years generally has not been included in this plan.

In a number of cases, FNS has adjusted performance goals for FY 2000 in this plan; these changes are footnoted in this plan. Other than these changes, FNS' previously submitted Revised FY 1999 and 2000 Annual Performance Plan remains current.

#### Program Overview

The programs administered by FNS touch the lives of one in six Americans and account for over one-half of USDA's budget. These programs work both individually and in concert with one another to improve the diets of children and low-income households. They include:

- *Food Stamp Program (FSP)*: FNS' largest program, the FSP serves as the centerpiece and primary source of nutrition assistance for nearly 18 million low-income people. It increases food purchasing power for eligible people through benefits that are redeemed at retail grocery stores across the Nation.
- *Child Nutrition Programs (CNP)*: The National School Lunch (NSLP), School Breakfast (SBP), Special Milk (SMP), Child and Adult Care (CACFP), and Summer Food Service (SFSP) Programs reimburse State and local governments for nutritious meals and snacks served to about 27 million children in schools, child care institutions, adult day care centers, and after-school care programs.
- *Special Supplemental Nutrition Program for Women, Infants and Children (WIC)*: WIC addresses the special needs of at risk, low-income women, infants and young children. It provides over 7 million participants annually with supplemental food packages targeted to their dietary needs, nutrition

education and referrals to health and social services. WIC is augmented in some areas by the Farmers Market Nutrition Program, which provides fresh produce to WIC participants.

- *Commodity Assistance Programs:* These programs provide domestically-produced foods for use in the Child Nutrition Programs and for distribution to food banks and other emergency feeding organizations. In addition, the Commodity Supplemental Food Program (CSFP) and the Food Distribution Program on Indian Reservations (FDPIR) provide food packages to low-income women, infants, children and the elderly, and to Native Americans living on Indian reservations.
- *Nutrition Program for the Elderly (NPE):* NPE augments programs administered by the Administration on Aging by providing reimbursement and commodities for meals served at senior centers and through Meals on Wheels programs.
- *Disaster Assistance:* This program provides food in the event of major natural disasters or emergencies when ongoing nutrition programs and/or commercial food supply channels have been temporarily disrupted.

For more information on the programs, their structure and impacts, and their statutory authorities, please see the *FNS Strategic Plan 2000 to 2005*.

### Goal 1: Improved Nutrition For Children and Low-Income People

- Objectives:**
- Objective 1.1: Improved food security
  - Objective 1.2: FNS program participants make healthy food choices
  - Objective 1.3: Improved nutritional quality of meals, commodities and other program benefits

#### Program Activities<sup>1</sup>:

	FY 1998 Actual (000s)	FY 1999 Actual (000s)	FY 2000 Estimate (000s)	FY 2001 Estimate (000s)
<b>Funding:</b>				
Food Stamp Program Account	--	--	--	\$ 21,271,531
Child Nutrition Program Account	--	--	--	9,940,787
Special Supplemental Nutrition Program Account	--	--	--	4,274,796
Commodity Assistance Program Account	--	--	--	158,300
Food Donation Program Account	--	--	--	151,081
Food Program Administration	--	--	--	39,797
<b>Total</b>	--	--	--	<b>\$ 35,836,292</b>
<b>FTEs</b>	--	--	--	<b>539</b>

These figures reflect the costs to achieve the specific performance goals described under Goal 1, as well as additional costs for activities that contribute more generally to Goal 1.

This plan organizes annual program performance goals around the five-year goals and objectives in the strategic plan. Annual performance goals and indicators are grouped under each of the three strategic objectives that support Strategic Goal 1.

<sup>1</sup> See Attachment 1 for a breakout by P&F schedule. Because this strategic goal is part of a new FNS Strategic Plan, fiscal year resources prior to FY2001 relate to a previous Strategic Plan (and related annual performance goals). Refer to the FY2000 Annual Performance Plan for detail on prior year annual performance goals.

**Objective 1.1: Improved food security**

<b>ANNUAL PERFORMANCE GOALS AND INDICATORS</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Target</b>	<b>FY 2001 Target</b>
Maintain program access and benefit delivery for all FNS programs:				
Program participation levels (millions)				
FSP (participants)	19.788	18.188	18.057	18.904
WIC (participants)	7.4	7.3	7.33	7.47
NSLP (avg. daily participation)	26.6	26.9	27.4	27.8
SBP (avg. daily participation)	7.1	7.3	7.8	8.0
CACFP (meals served)	1,602	1,633	1,711	1,788
SFSP (participating children)	2.30	2.22	2.57	2.62
Better target CACFP benefits to low-income children:				
% of CACFP meals served to low-income children	71%	72%	75% <sup>2</sup>	76%
Expand the availability of SFSP and after-school snack components of NSLP and CACFP:				
Number of SFSP sponsors	3,618	3,635	4,000	4,100
Number of SFSP sites	30,250	30,911	33,000	34,000
Number of after-school snacks served in schools	189,000	4.12 million	58 million	127 million

**Discussion of Annual Performance Goals:** Food security represents access by all people at all times to enough food for an active, healthy life. Food security includes at a minimum: (1) the ready availability of nutritionally adequate and safe foods, and (2) an assured ability to acquire acceptable foods in socially acceptable ways. Food insecurity occurs when access to food is limited or uncertain. Hunger – the inability, even occasionally, to obtain enough food – is a severe form of food insecurity.

**By 2005, FNS intends to significantly improve food security for children and low-income people.** FNS will assess improvement in food security through two parallel measures: the extent of hunger among children and low-income people, and the rates at which eligible people participate in Federal nutrition assistance programs. Specific targets for improvement, reflected in the FNS Strategic Plan, are as follows:

**1. Food Security Index:**

- Baseline: In 1998, 11.8% of households at or below 130% of poverty were “food insecure with hunger”. ® **Target: Reduce to 7.9% (an approximate one-third reduction) in 2005**
- Baseline: In 1998, 9.7% percent of children (up to age 17) in households at or below 185% of poverty were “food insecure with hunger”.  
® **Target: Reduce to 7.8% (an approximate one-third reduction) in 2005**

**2. Rates of eligible populations participating in the major Federal nutrition assistance programs:**

- Baseline: In 1997, 64% of individuals below 130% of poverty participated in the Food Stamp Program. ® **Target: Reach 68% by 2005**
- Baseline: In 1997, 87 percent of all individuals fully eligible for the WIC Program participated in the program. ® **Target: Reach 90% by 2005**
- Baseline: In SY1995-96, 51% of children enrolled in school participated in NSLP.  
® **Target: Reach 55% by SY2004-2005**

<sup>2</sup> FY2000 performance target has been revised.

- Baseline: In SY1995-96, 13% of children enrolled in school participated in SBP.  
**® Target: Reach 18% by SY2004-2005**
- Baseline: In 1999, 3.9% of all children ages 0 to 18 years of age (inclusive) participated in CACFP.  
**® Target: Reach 5.1% by 2005**
- Baseline: In 1997, 12% of free and reduced price eligibles participated in the SFSP.  
**® Target: Reach 17% by 2005**

The nutrition assistance programs administered by FNS constitute the lion's share of the Federal government's effort in improving food security and reducing hunger. The programs are major sources of food for children and adults from low-income households; for some, they may be the only food source. Performance in improving food security is thus linked to providing program access and delivering benefits effectively to eligible populations who face food insecurity.

For FY 2001 FNS will focus its efforts in three key performance areas:

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| <ol style="list-style-type: none"> <li><b>1. Maintain program access and benefit delivery for all FNS programs</b></li> <li><b>2. Better target CACFP benefits to low-income children</b></li> <li><b>3. Expand the availability of SFSP and after-school snack components of NSLP and CACFP</b></li> </ol> |
|---|

These goals, designed to support FNS's Strategic Objective 1.1, also support Goal 2.1 in the USDA Strategic Plan Overview – to reduce hunger by assuring low-income households access to adequate supplies of nutritious food.

**Means and Strategies:** The performance goals will be pursued as follows:

**Maintain program access and benefit delivery for all FNS programs**

Most of FNS's appropriated resources are used to deliver benefits to currently certified FNS program participants and to provide funds for State administrative costs. The agency provides the full cost of almost all benefits, and more than half of administrative costs. FNS promulgates regulations to implement legislative program requirements, monitors compliance with program rules, and provides States and other program partners with technical assistance to ensure program effectiveness.

FNS in fiscal year 2001 will perform the ongoing operational work required for effective delivery of benefits to current eligible participants. In addition, the agency will continue its efforts to improve access to the Food Stamp Program for eligible, nonparticipating persons, particularly the working poor, elderly and immigrants who may not realize that they are eligible. A key strategy in this area in fiscal year 2001 is an outreach effort to encourage participation by these groups. The agency plans to increase awareness of the program, the benefits of participation, and the criteria for eligibility. FNS fosters partnerships with advocates, industry, and the faith, health, nutrition and social services communities, leveraging these groups' strong reach into communities to target messages to persons most in need of Food Stamps. For example, FNS provides access to the electronic files of 32 participant educational materials; organizations may use the files to print and disseminate these FNS-developed materials to target populations.

FNS also proposes to improve access for some specific populations:

- The fiscal year 2001 budget restores FSP eligibility for two groups of legal immigrants who resided in the United States at the time that the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) took effect – adults that live with program-eligible children, and those that have turned 65 years of age.
- The budget also permits States the option to conform the program to the Temporary Assistance to Needy Families (TANF) rules in counting the value of vehicles in determining eligibility for Food Stamps, in cases in which those rules are more generous, in order to eliminate barriers to participation that result from owning a reliable vehicle. Such barriers may discourage work by creating a conflict between participation and owning a vehicle used to seek and hold employment.
- FNS will work with States to increase access for able-bodied adults without dependents to work or training programs. For this group, work or participation in training is required under the 1996 welfare reform law to maintain food stamp eligibility. FNS will provide technical assistance to States, and review and approve State employment and training plans.

FNS is seeking a funding level for WIC that will support an average of nearly 7.5 million program participants in fiscal year 2001. It will continue to maximize the availability and proper targeting of program benefits by reallocating program resources throughout the fiscal year, by assisting States in using infant formula rebates, by continuing to promote development of electronic benefit transfer, by distributing funds to properly target eligibles and potential participants, and by collaborating with State partners in ensuring consistent application of the nutritional risk criteria used to determine participant eligibility.

For the Food Distribution Program on Indian Reservations, the agency will improve access for program participants by changing program regulations to allow child support payments and Medicare (Part B) premiums to be deducted from participant income in determining eligibility, and by developing and disseminating an outreach poster to inform potential participants of how to apply for benefits.

FNS also plans to improve program access by expanding the highly successful "Partnership for Change" effort to meet the needs of impoverished communities along the US border with Mexico known as Colonias. Through a series of regional conferences, a Colonias web site, and community level grass roots efforts, FNS will help bring nutrition assistance to eligible people in these areas; the effort should also improve access for this population to other important assistance programs.

#### **Better target CACFP benefits to low-income children**

The agency will seek to better target CACFP benefits to low-income children by reviewing and evaluating States' implementation of recent changes in program rules providing for differential meal reimbursement.

#### **Expand the availability of SFSP and after-school snack components of NSLP and CACFP**

The agency plans to facilitate expansion of the Summer Food Service Program through outreach to program sponsors and elimination of barriers to sponsorship. It will continue to promote provision of after-school snacks through the NSLP and CACFP.

Costs associated with the achievement of these three performance goals, as measured through the indicators below, total \$35.57 billion, including costs associated with 436 Federal staff-years and program benefit costs of \$35.53 billion.

**Verification and Validation:** Performance indicator data for Objective 1.1 consists primarily of program data on participation, benefits, and general administrative costs, which is collected from State agencies. Program data is submitted by States and entered into two "parent systems," the Food Stamp Program Integrated Information System (FSPIIS), the Special Nutrition Program Integrated Information System (SNPIIS). Data is entered into these systems either from hard copies submitted by States to FNS regional

offices, or directly by States through the “State Cooperative Data Exchange,” which allows regional offices to review and certify data entered by State agencies. FSPIIS and SNPIIS data is then consolidated in the National Data Bank, a relational database system that can be accessed at offices throughout FNS.

Because the agency relies on this data for a number of important administrative and budget preparation functions, as well as for performance planning and reporting, it is carefully monitored, screened, and edited to ensure accuracy. FSPIIS and SNPIIS include a number of “hard” edit checks and “soft” edit warnings, designed to minimize errors during data entry, as well as a Data Base Monitoring Report, which is used to ensure that all States have submitted necessary reports. Regional offices follow up with States to resolve issues of missing or questionable data.

After data is entered into the parent systems, it is uploaded to the National Data Bank “pre-load” system and reviewed for accuracy and completeness by FNS headquarters staff through a wide range of analytical reports, including trend analysis, data quality, sensitivity analysis, and time series analysis. If errors or irregularities are identified, headquarters staff may ask regions to reenter data or seek explanations for unusual trends or changes. Once reviews are complete, and any questions or concerns regarding data are resolved, the data is moved from the “preload system” into the National Data Bank production system, and becomes FNS’s official program data. Through this process of multiple reviews, monitoring, and analysis, the agency ensures that data submitted by States is complete, consistent, and accurate.

In addition, program data reported through the official system is verified through a variety of additional mechanisms. In the Food Stamp Program, the agency uses the Food Stamp Performance Reporting System, management evaluation reviews and State Level Operations Reviews to verify the data collected through automated systems. For programs serving meals to children (NSLP, SBP, CACFP, SFSP), FNS uses management evaluations and other special initiatives such as the Coordinated Review Effort to verify the data.

While the safeguards and verification methods described above ensure that all data under Objective 1.1 is collected and calculated properly, FNS relies on an indirect proxy measure for one performance indicator. The agency uses CACFP “meals served by type” data, which reflects the level of reimbursement made for each meal served, as a proxy for determining the income levels of participating children. For a portion of this data, measuring meals served in some day care homes, it is unclear how precisely the reimbursement level correlates with low-income participation. A study is underway that will clarify the validity of this data as a proxy measure for this indicator; in the event that it is not, FNS intends to explore potential refinements or alternative approaches that improve our ability to assess performance in this area.

In addition, FNS uses “average daily attendance” figures reported to FNS for CACFP and SFSP; States are not required to use a specific methodology to determine the average. Therefore, there may be minor inconsistencies between States’ approach in calculating these figures. Because methods used by States are consistent over time, however, this potential weakness is unlikely to impact the agency’s ability to evaluate performance year by year.

For the measure of after-school snacks served in NSLP and CACFP, CACFP centers do not separately report after-school snacks and snacks served at other times of the day. FNS therefore uses snacks served in schools only as a proxy measure for snacks served in both programs.

**Objective 1.2: FNS program participants make healthy food choices**

<b>ANNUAL PERFORMANCE GOALS AND INDICATORS</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Target</b>	<b>FY 2001 Target</b>
Implement an integrated National nutrition promotion strategy to reach children and caregivers eligible for Federal nutrition assistance:				
Number of nutrition education materials disseminated to children and caregivers.	--	--	100,000	500,000
Number of visits to new website section created for the campaign	--	--	0	50,000
Improve program-based nutrition education strategies:				
Number of households receiving FSP nutrition education.	--	--	--	Establish baseline
Percentage of day care providers in the CACFP receiving nutrition education materials:				
Day-care centers	100%	100%	100%	100%
Family day-care homes	--	--	100%	100%
Percentage of SFAs in the NSLP receiving nutrition education materials through Team Nutrition.	100%	100%	100%	100%
Increased use of WIC Nutrition Services Resource System as measured by State and local utilization data.	--	--	--	Establish baseline
Promote breastfeeding in the WIC Program:				
% of WIC mothers who initiate breastfeeding	41% <sup>3</sup>	(No data available)	42% <sup>4</sup>	(No data available)

**Discussion of Annual Performance Goals:** Improvement in diet quality for participants is a key outcome for FNS programs. In addition to the persistent problems of food insecurity and hunger, some major nutrition problems that have emerged in recent years result from deficiencies in diet quality—the proper variety and quantity of foods and nutrients in an individual's diet. While this is influenced by the foods available in the marketplace, through nutrition assistance, and through other sources, diet quality is significantly determined by personal eating behaviors and food choices. Therefore, FNS is working to integrate science-based education and promotion efforts into and across nutrition assistance programs to foster better food choices and higher diet quality for program participants.

**By 2005, FNS seeks to enable and support real improvement in the dietary practices of those served by Federal nutrition assistance programs.** The agency's primary measure of progress in this area is the Healthy Eating Index (HEI), a measure of diet quality based on the Federal *Dietary Guidelines for Americans* and the Food Guide Pyramid. FNS will track the HEI for children and low-income people as a proxy measure of diet quality for program participants. It will supplement this measure with a measure of the proportion of WIC mothers who initiate breastfeeding—the preferred dietary practice for infants. Targets for improvement are as follows:

**1. Healthy Eating Index:**

- Baseline: In 1996, the average HEI rating of people with incomes under 130% of poverty was 61 out of a possible 100. **® Target: Reach a rating of 66 out of 100 for this group by 2005.**
- Baseline: In 1996, the average HEI rating of children (ages 2-18) with incomes under 185% of poverty was 63 out of a possible 100. **® Target: Reach a rating of 68 out of 100 for this group by 2005**

<sup>3</sup> FY1998 figure is preliminary, based on *WIC Participant and Program Characteristics 1998* data collection reports from 66 of 88 WIC State agencies.

<sup>4</sup> FY2000 performance target has been revised.

## 2. Breastfeeding:

- Baseline: In 1997-98, 41% of WIC mothers initiated breastfeeding.<sup>5</sup>  
**@ Target: Reach 50% by 2003-04.**

The agency plans to encourage healthy food choices through National nutrition promotion targeted at eligible populations, through program-based nutrition education, by working to foster environments in schools and other program settings that support and encourage healthy food choices, and by promoting breastfeeding as the preferred infant feeding practice. FNS also works closely with the Center on Nutrition Policy and Promotion (CNPP) to ensure that its efforts to improve the diet quality of program participants are consistent with the Center's strategies to promote better diets for the general population.

For FY 2001 FNS will focus its efforts to promote healthy food choices for program participants in four performance areas:

1. **Implement an integrated National nutrition promotion strategy to reach children and caregivers eligible for Federal nutrition assistance**
2. **Improve program-based nutrition education strategies**
3. **Promote healthy school eating environments**
4. **Promote breastfeeding in the WIC Program**

These goals, designed to support FNS's Strategic Objective 1.2, also support Goal 2.4 in the USDA Strategic Plan Overview – to improve dietary practices and promote a healthy, well-nourished population through nutrition education and research – by providing nutrition education and promotion to those participating in, and eligible for, Federal nutrition assistance programs.

**Means and Strategies:** In fiscal year 2001, FNS intends to use the following strategies to achieve these goals:

### **Implement an integrated National nutrition education strategy to reach children and caregivers eligible for Federal nutrition assistance**

FNS is working to improve coordination among program-specific nutrition education approaches, and better integrate nutrition education strategies by using consistent messages to reach all populations served by Federal nutrition assistance. In fiscal year 2001, this effort will focus in two areas: continued development of a National nutrition promotion campaign, and support for a State-level infrastructure that can deliver the National campaign and other cross-program nutrition education messages and methods.

*National Nutrition Promotion Campaign:* The agency will conduct the second year of the FNS National nutrition promotion campaign directed at children and their caregivers eligible for nutrition assistance. This campaign is designed to reach this eligible population with consistent, reinforcing social marketing messages designed to encourage healthy eating behaviors. One of the campaign's major activities during fiscal year 2001 will be the development and dissemination of new materials based on messages developed during its first year of operations. FNS will also work to integrate nutrition education materials across all nutrition assistance programs. The new nutrition campaign component of the FNS website will be launched and expanded, and on-going formative and process evaluations will be conducted.

*Building State Nutrition Education Capacity:* In order to implement National nutrition education initiatives effectively, States must develop and sustain an infrastructure of nutrition professionals and resources that enable them to provide training, technical assistance, and educational materials to the local program providers and cooperators that deliver nutrition education to program participants. FNS intends to support states in developing this infrastructure through a number of strategies in fiscal year 2001.

<sup>5</sup>FY1998 figure is preliminary, based on *WIC Participant and Program Characteristics 1998* data collection reports from 66 of 88 WIC State agencies.



- *Nutrition Education and Training (NET)*: This program, which provides training for school food service personnel in food service management and for teachers in providing nutrition education and information for children, is a critical tool for building State infrastructures to support nutrition education in the Child Nutrition Programs. Funding has not been provided for this program in recent years; the budget restores \$2 million in NET funds in support of this critical State capacity-building effort.
- *Team Nutrition Training Grants*: States use these grants to establish or enhance sustainable infrastructures for delivery of training programs for implementing Team Nutrition. (Team Nutrition is described under “program-based nutrition education strategies,” below.)
- *Team Nutrition Demonstration Projects*: These projects are intended to develop models of comprehensive and firmly established Team Nutrition initiatives that can be used by schools Nationwide. In fiscal year 2001, each school that is included in the Demonstration Projects will deliver a comprehensive form of Team Nutrition that includes classroom activities, food service initiatives, school-wide events, home activities, community events, and media events and coverage.

Other ongoing activities may augment these capacity-building efforts in fiscal year 2001. In fiscal year 2000, FNS intends to develop the Consortium for Nutrition Education Advancement and Promotion (NEAP), a National partnership initiative which would bring together public and private organizations at the National, State, and local levels to enhance development and delivery of integrated, cost-effective nutrition education programs. The agency is also developing a report to Congress reviewing nutrition education in Federal nutrition assistance programs, and identifying strategies for improvement. The agency will also continue to collect and analyze research findings, program data, and “best practices” information related to nutrition education activities. These activities hold the potential to identify useful and innovative strategies to improve nutrition promotion at the National level, and to build State nutrition education capacity, and thus may impact FNS’s nutrition education strategies in fiscal year 2001.

#### **Improve program-based nutrition education strategies**

*Food Stamp Nutrition Education*: FNS is working to improve nutrition and nutrition education in the Food Stamp Program as a central component of the program’s mission. The agency plans to implement a nutrition education effort for low-income people, focusing on increasing skills and knowledge about nutrition, food choices, food preparation, food safety, and resource management through an integrated, behavior-based, culturally-appropriate curriculum.

In fiscal year 2001, FSP also intends to improve guidance for states seeking to implement nutrition education plans using Federal matching funds, and to improve FNS’s ability to provide technical support for these State-level efforts. FNS encourages States to provide nutrition education to at-risk households by reimbursing part of the cost of implementing optional State Nutrition Education Plans. To receive reimbursement, States must receive approval from FNS for Nutrition Education Plans that explain their intended nutrition education activities for the year. Although these activities are optional, all but four States had approved Nutrition Education Plans in fiscal year 1999. FNS provides Nutrition Education Plan Guidance to States to encourage them to use the most effective nutrition education tools and strategies available. In fiscal year 2001, FNS will revise its guidance to provide clearer, more comprehensive direction for State agencies in planning and reporting nutrition education activities. The agency will also increase technical assistance and support for States in developing sound and effective plans.

FNS also seeks to provide technical assistance to States in implementing their approved strategies. In fiscal year 2001, program staff will increase its own technical assistance capacity by strengthening ties to the nutrition professional community, and will work proactively with program administrators and operators at State and local levels to improve nutrition education and promotion for FSP participants. The FNS website will be used as a critical tool in providing this technical assistance, and encouraging States to develop innovative strategies to promote better nutrition through the FSP.

*Team Nutrition:* Team Nutrition will continue to focus on the school meal programs, Child and Adult Care Food Program, and the Summer Food Service Program. Training and technical assistance are provided to food service staff to help serve meals that look good, taste good, and meet Federal nutrition standards. Nutrition education materials and support are provided to teachers, food services staff, and parents to assist with educating children about the importance of healthy eating and physical activity. School and community support will be encouraged to ensure positive actions are taken in local communities to support children's efforts to improve their eating behavior and physical activity choices.

In fiscal year 2001, Team Nutrition will continue to implement its own five-year strategic plan, focusing on such efforts as continuing to enroll Team Nutrition schools, support the continued active participation of current Team Nutrition schools, and expand the use of Team Nutrition materials. Team Nutrition will also focus on identifying and cultivating Partners and Supporters, including nutrition, health, education, entertainment, and industry groups, that will promote Team Nutrition messages within schools and communities. Partners will play a large role at the National level to help get the message out to target audiences. Supporters will be identified at the National, State or local level and will help promote Team Nutrition in a variety of ways among their constituencies and companion organizations.

*WIC Nutrition Education:* FNS has recently received the results of a major study that indicates that the nutrition education activities that support WIC could be strengthened. By fiscal year 2001, the agency expects to have completed an informal review of its policies and procedures, and has asked States and local agencies to voluntarily undertake a similar effort. Although it is too early to predict the outcome of these reviews, FNS does expect to be charting a new or corrected course for WIC nutrition education.

In addition, the agency will continue to support and reinforce the nutrition services and education provided through WIC with new electronic methods for State and local staff training, through the FNS and USDA websites and through interactive technology for participant nutrition education. FNS is also funding a series of WIC Obesity Prevention Grants, provided to five WIC State agencies to identify changes to State and local operations that can improve the program's effectiveness in addressing the problem of childhood obesity. In fiscal year 2001, grantees will be implementing action plans for change developed in fiscal year 2000 in selected WIC clinics.

#### **Promote healthy school eating environments**

In fiscal year 2001, FNS will continue its initiative to educate and inform school food service personnel, school administrators, parents, the medical community, and the general public about the importance of establishing healthy school environments that contribute to sound nutrition practices. The agency is working with the Department of Education, the Centers for Disease Control and Prevention, and the Food and Drug Administration on this initiative, which reinforces its nutrition education and technical assistance efforts by encouraging schools to create environments that support healthy choices by students. The initiative's themes include: the importance of pleasant surroundings to the school meal experience; the effect that meal period schedules have on school meals; challenges posed by competitive food service; the role of nutrition education in the curriculum; the importance of education administrators; and influences in the larger community.

No performance measures have been proposed for this goal in fiscal year 2001; these will be developed as more specific promotion strategies are identified and refined.

#### **Promote breastfeeding in the WIC Program**

FNS will support and reinforce the breastfeeding counseling provided as a critical component of the WIC's nutrition services by conducting at least one Breastfeeding Promotion Consortium meeting in fiscal year 2001, and will continue to promote the Loving Support breastfeeding promotion campaign. FNS will also collaborate with CDC to improve measures of the prevalence of breastfeeding in the WIC Program.

Costs associated with the achievement of these performance goals, as measured through the indicators above, total \$62.5 million, including costs associated with 37.5 Federal staff-years.

**Verification and Validation:** In general, FNS will collect administrative data on accomplishment of annual performance goals under this Objective through analysis of State Nutrition Education Plans, State agency reports, and reports submitted by the Extension Service and other nutrition education cooperators.

Performance data involving distribution of educational materials will be collected from National Technical Information Services (NTIS), U.S. Department of Commerce, which distributes materials for FNS. Monthly distribution reports are provided to the agency, and can be verified through management evaluations and other reporting mechanisms as resources permit.

A commercial software product designed to analyze ongoing web traffic will be used by FNS to measure and analyze the use of Internet-based educational resources. The agency will track overall website "hits" related to the materials for the indicator, as part of an ongoing monitoring of the use of the FNS website.

Data on the number of households receiving FSP nutrition education through State Food Stamp nutrition education programs will be reported by States to FNS. Guidance to States on preparing nutrition education plans will be revised in fiscal year 2000; the revision will include reporting requirements that will ensure that required data will be submitted to FNS. Data will be verified through on-site reviews and comparison with other appropriate studies and program evaluations.

FNS conducts biennial studies of WIC Participant and Program Characteristics that include data on breastfeeding initiation. Since these studies are census data collections, they are not subject to sampling error; in addition, non-response is very low, thus minimizing bias in the data. These data will be verified as practicable by those collected under the National Survey of WIC Participants, which provides more detailed data on breastfeeding rates among WIC participants. It is important to note that continued ability to collect this data is contingent upon funding to conduct the WIC Participant and Program Characteristics studies; without adequate funding at FNS for this work, the data may not be available.

**Objective 1.3: Improved nutritional quality of meals, commodities and other program benefits**

	FY 1998 Actual	FY 1999 Actual	FY 2000 Target	FY 2001 Target
<b>ANNUAL PERFORMANCE GOALS AND INDICATORS</b>				
Improve program structure in School Breakfast Program to reflect link between breakfast and school performance: Universal school breakfast pilot milestones achieved	--	Design initiated	Design completed	Pilot commenced
Improve access to safer and more nutritious commodities: Dollars spent on fresh fruits and vegetables provided to schools	--	\$31.5 million	\$33.1 million	\$34.7 million
FDPIR sites receiving fresh fruits and vegetables	--	58	59	61
Participants in the Farmer's Market Nutrition Program	1.38 million	data not available	1.38 million	1.65 million
% of the recommendations of the <i>Food Distribution 2000-Commodity Holds and Recall Team</i> implemented.	--	--	--	80%
Monitor and provide technical assistance to State and local partners to ensure that benefits meet appropriate nutrition and safety standards: Number of School Meals Initiative monitoring reviews conducted by State agencies.	0	2,937	3,200	3,200
Percentage of school food authorities and schools that prepare meals receiving Food Buying Guide.	--	--	--	100%
Number of recipes added to the FDD Recipe Exchange website	--	8	24	50
% of commodity fact sheets and "Best-If-Used-By" Tables updated.	--	--	--	100%

Strategic Objective 1.3 recognizes the special role that FNS plays in ensuring the nutritional quality of its benefits. The quantities, composition and nutritional content of benefits, and the program structures and settings through which they are delivered, must be shaped to ensure that these benefits contribute to improved nutrition for the populations that use them. Thus, for example, WIC food packages must be designed to meet the special nutritional needs of mothers, infants and children, school meals must meet standards designed to meet the needs of growing children, and FDPIR food packages should be designed to meet the standards established for the Thrifty Food Plan.

**By 2005, FNS will make concrete improvements in the nutritional quality and safety of the benefits that it provides.** Measures of success in this area include qualitative determinations that program standards and structures are consistent with appropriate dietary guidance for their purposes and target populations, and measurement of the food composition and nutrient content of benefits to ensure compliance with program standards. Key targets for success include:

- Baseline: In 1993, NSLP meals provided 38% calories from total fat, 15% calories from saturated fat, and 33% of the RDA for calories, vitamins and minerals<sup>6</sup>.  
**® Targets: By 2005, reach 30% or less calories from total fat and less than 10% calories from saturated fat; maintain calorie, vitamin and mineral content.**
- Baseline: In 1993, SBP meals provided 31% calories from total fat, 14% calories from saturated fat, 24% of the RDA for calories, and 25% of the RDA for vitamins & minerals except zinc.  
**® Targets: By 2005, reach 30% or less calories from total fat and less than 10% calories from saturated fat; increase calories to 25% of RDA; increase zinc to at least 25% RDA, maintain other vitamin and mineral levels.**
- Baseline: In 1996, 90% of CACFP meals met FNS meal pattern requirements.  
**® Target: Maintain 90% through 2005**

The agency also intends to determine the proportion of SFSP meals meeting FNS meal pattern requirements, and maintain or improve this level through 2005.

To pursue this Objective, FNS evaluates and, as necessary, modifies program benefit structures to ensure consistency with current dietary guidance; provides nutritious commodities to institutional and household food distribution programs; and supports State/local partners with training and technical assistance to ensure that meals meet appropriate nutrition and safety standards.

In fiscal year 2001, FNS intends to pursue three major areas of improved performance:

- 1. Evaluate the link between access to a nutritious breakfast at school and improved school performance**
- 2. Increase access to safer and more nutritious commodity foods**
- 3. Monitor and support State and local partners in working to ensure that benefits meet appropriate nutrition and safety standards**

These goals also support Goals 2.1 (assuring access to nutritious food) and 2.2 (reducing the incidence of foodborne illness) in the USDA Strategic Plan Overview, by furthering both of these goals with regard to the populations served by Federal nutrition assistance programs.

<sup>6</sup> "Vitamins and minerals" includes vitamins A and C, as well as calcium and iron.

**Means and Strategies:** The annual goals will be pursued as follows:

**Evaluate the link between access to a nutritious breakfast at school and improved school performance**

Various studies indicate that eating a healthy breakfast can be critically important to a child's health, well-being, and ability to derive maximum benefit from school. To substantiate these findings, Congress authorized the Secretary of Agriculture to conduct a breakfast pilot project over a 3-year period that will evaluate the effects of providing free breakfasts to children in elementary schools. FNS will conduct pilots in six school districts, carefully selected to represent a diverse range of geographic and demographic characteristics. Much of the funding for the project will be used to collect and analyze extensive data from these pilot projects, and conduct a thorough evaluation of the impact of free breakfasts on students' behavior and academic achievement in school.

**Increase access to safer and more nutritious commodity foods**

FNS intends to increase funding for fresh fruits and vegetables in schools in cooperation with the Department of Defense, and to expand the number of Food Distribution Program on Indian Reservations sites that receive and distribute fresh fruits and vegetables. In addition, the agency will implement the recommendations of its *Food Distribution 2000-Commodity Holds and Recall Team*, part of an overall reengineering of the commodity distribution process, to improve the way that USDA handles commodity food safety issues. FNS intends to promote the Farmer's Market Nutrition Program (FMNP) by working with States to better leverage Federal dollars with State resources, and to promote the program to encourage fuller utilization of existing benefits.

**Monitor and support State and local efforts to ensure that benefits meet nutrition and safety standards**

In fiscal year 2001, FNS will continue to encourage implementation of the School Meals Initiative, a policy change designed to ensure healthful meals at school, and monitor the progress of schools in implementing the Initiative.

The agency will also continue its ongoing effort to provide schools with the tools and skills necessary to prepare healthful meals that taste good through state-of-the-art technical assistance. FNS will distribute the *Food Buying Guide*, through school food authorities, to all schools requesting this publication. It will continue to distribute healthful, appealing school recipes to schools Nationwide through the commodity recipe exchange on the FNS website. The plans to disseminate informational materials regarding the "best if used by" dates for the commodity foods it distributes, to encourage program providers to use these foods at their optimum taste and quality. FNS will also support and expand the availability of nutrient and meal preparation information to schools through the Food and Nutrition Information Center (FNIC). In the WIC Program, FNS will review products for acceptance for use in program food packages, and provide technical assistance to States as needed to ensure that food package benefits are appropriately tailored to the nutritional needs of WIC participants.

Costs associated with the achievement of these performance goals, as measured through the indicators below, total \$7.5 million, including costs associated with 14.7 Federal staff-years.

**Verification and Validation:** Many of the performance goals under this Objective, such as implementation of the school breakfast pilot or implementation of the *Food Distribution 2000* recommendations for FY 2001, are based on the completion of internal FNS work activity. In these cases, FNS's administrative structure provides the accountability necessary to verify completion of the work as a performance indicator. Indicator data of the overall dollars spent on fresh fruit and vegetables for schools is collected through the Processed Commodities Inventory Management System (PCIMS), an automated system that is used to track shipment and reimbursement of commodity purchases for all FNS programs; data is reconciled monthly and annually by program analysts to ensure accuracy. Data on the number of FDPIR sites receiving fresh produce will be collected from Defense Department billing information; FNS contracts with Defense to provide commodities to FDPIR sites.

For those indicators measuring performance at the State and local level, such as the School Meals Initiative monitoring reviews, FNS will utilize data reported by States, which is supplemented and verified by reviews and management evaluations conducted by the agency.

## Goal 2: Improved Stewardship of Federal Funds

Objective 2.1: Improved benefit accuracy and reduced fraud

Objective 2.2: Improved efficiency of program administration

### Program Activities<sup>7</sup>:

	FY 1998 Actual (000s)	FY 1999 Actual (000s)	FY 2000 Estimate (000s)	FY 2001 Estimate (000s)
<b>Funding:</b>				
Food Stamp Program Account	--	--	--	\$ 37,712
Child Nutrition Program Account	--	--	--	20,261
Special Supplemental Nutrition Program Account	--	--	--	3,495
Food Program Administration	--	--	--	84,315
<b>Total</b>	--	--	--	<b>\$ 145,783</b>
<b>FTEs</b>	--	--	--	<b>1,292</b>

These figures reflect the costs to achieve the specific performance goals described under Goal 2, as well as additional costs for activities that contribute more generally to Goal 2. Note that Food Program Administration funding contributes to Goal 2 activities for all FNS programs.

This plan organizes annual program performance goals around the five-year goals and objectives in the strategic plan. Annual performance goals and indicators are listed and explained under each of the two strategic objectives that support Strategic Goal 2.

### Objective 2.1: Improved benefit accuracy and reduced fraud

	FY 1998 Actual	FY 1999 Actual	FY 2000 Target	FY 2001 Target
<b>ANNUAL PERFORMANCE GOALS AND INDICATORS</b>				
Maintain benefit accuracy in FSP; improve in NSLP/SBP: FSP benefit accuracy rate	89.3%	data not available	90.5% <sup>8</sup>	90.8%
% of SFAs in compliance with Performance Standard 1	85.9%	data not available	87%	88.5%
Improve retailer/vendor compliance with program regulations: % of authorized FSP retailers that do not meet regulatory eligibility requirements for type and amount of staple foods sold.	--	1.54%	1.54%	1.54%
Number of sanctions against stores violating FSP regulations	1423	1365	1365	1365
% of WIC vendor visits and investigations per number of vendors	54.3% <sup>9</sup>	To be determined	To be determined	To be determined
Average number of WIC participants per vendor	170.9 <sup>10</sup>	To be determined	171	171
Strengthen controls of participant error, fraud and abuse: % of established FSP claims collected	68%	69%	71% <sup>11</sup>	72%

<sup>7</sup> See Attachment 1 for a breakout by P&F schedule. Because this strategic goal is part of a new FNS Strategic Plan, fiscal year resources prior to FY2001 relate to a previous Strategic Plan (and related annual performance goals). Refer to the FY2000 Annual Performance Plan for detail on prior year performance goals.

<sup>8,11</sup> FY2000 performance target has been revised.

<sup>9,10</sup> Data is preliminary.

<b>ANNUAL PERFORMANCE GOALS AND INDICATORS</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Target</b>	<b>FY 2001 Target</b>
State-reported FSP claims collected	\$199.6 million	\$213 million	\$215.8 million <sup>12</sup>	\$218.2 million
Strengthen State/local management of CACFP/SFSP sponsors: FNS management evaluations of State agencies targeted at administration of the CACFP completed.	--	--	7	7
State agency sponsor training sessions utilizing newly-developed CACFP sponsor management materials.	--	--	All States	All States
Number of reviews of SFSP sponsors and providers conducted by State agencies.	--	--	Establish baseline	To be determined
Recover lost program dollars through continued Debt Collection Improvement Act implementation:				
% of eligible delinquent FSP recipient claims transferred to Treasury.	--	100%	100% <sup>13</sup>	100%
% of eligible delinquent FSP retailer debts referred to Treasury	--	87%	90% <sup>14</sup>	90%

**Discussion of Annual Performance Goals:** Ensuring benefit accuracy and minimizing losses of program funds to fraud and waste are integral parts of the FNS mission. Preventing losses due to fraud and error is critical to ensuring that the nutrition programs serve all those in need at the lowest possible cost. Furthermore, maintaining public confidence in these programs is essential to ensuring that they continue to function successfully.

**By 2005, FNS seeks to improve benefit accuracy and reduce fraud in a range of important areas.** FNS will measure progress under this Strategic Objective through measures of the proportion of benefits accurately issued, and the level of compliance activity that results in recoupment of funds lost to fraud and abuse. Because systems to capture this data do not exist in all programs, and much of the data is difficult to capture in any system, a number of proxy measures are used. Specific targets for improvement include:

**1. Benefit accuracy:**

- Baseline: In 1998, the Food Stamp payment accuracy rate was 89.31%.  
**® Target: Increase to 90.7% by 2005**
- Baseline: In 1997, 85.5% of school food authorities reported accurate meal counts.  
**® Target: Increase to 90% by 2005**
- Baseline: In 1997, free participation in the NSLP was 18% above the estimated number of eligible children. **® Target: Decrease to 9% by 2005**

**2. Fraud reduction:**

- Baseline: In 1995, 48% of established FSP claims were collected.  
**® Target: Increase to 58% by 2005**
- Baseline: In 1998, 1423 sanction actions were taken against FSP authorized stores.  
**® Target: Maintain annual baseline through 2005**
- Baseline: Percentage of WIC vendor compliance and investigations resulting in sanctions. (Baseline under development.) **® Target: Increase above baseline by 2005**
- Baseline: In 1997, there were an average of 171 WIC participants per vendor.  
**® Target: Maintain baseline through 2005**
- Baseline: In 1998, FNS received an unqualified opinion on its financial statement audit.  
**Target: Unqualified opinions through 2005**

<sup>12,13,14</sup> FY2000 performance target has been revised.

Making progress under Objective 2.1 requires a resource investment and a commitment to quality service at all levels of government. Activities that support Federal performance in benefit accuracy and fraud reduction are highly labor-intensive, requiring significant commitments of staff and travel resources to permit observation and review of State and local program operations. Unfortunately, efforts to maintain and improve performance have been significantly hampered in recent years by a lack of adequate resources to carry out these activities. External audits by the General Accounting Office and USDA's Office of Inspector General have cited insufficient staff to exert proper oversight of State administrative costs, State agency performance, FSP retailer oversight, and debt management practices. While our efforts have been designed to use Federal dollars to maximum impact, and some additional funds have been requested in fiscal year 2001 for the most critical priorities, the level of available resources requires the agency to focus its efforts in a limited number of areas.

For fiscal year 2001, FNS performance goals related to benefit accuracy and reduced fraud focus in five operational areas:

1. **Maintain benefit accuracy in the Food Stamp Program; improve in school meals programs**
2. **Improve Food Stamp retailer/WIC vendor compliance with program regulations**
3. **Strengthen controls over participant error, fraud and abuse**
4. **Strengthen State/local management of CACFP/SFSP sponsors**
5. **Recover lost program dollars through continued Debt Collection Improvement Act (DCIA) implementation**

These goals, designed to support Objective 2.1, also support USDA's general management initiative – to provide effective customer service and efficient program delivery – by minimizing resources lost to error, fraud, and waste. It specifically contributes to Management Initiative 4, to improve financial management and reporting, as a critical component of effective program stewardship.

**Means and Strategies:** The goals will be pursued as follows:

**Maintain benefit accuracy in the Food Stamp Program; improve in school meals programs**

Maintaining FSP benefit accuracy, in the face of challenges such as implementation of welfare reform regulations and limited resources, will require that States continue and renew their commitment to utilize findings from the Food Stamp Quality Control system to improve payment accuracy, and that FNS have the necessary resources to assist States in this endeavor. FNS has requested additional resources in support of its efforts to:

- improve the accuracy and consistency of the Quality Control (QC) measurement system;
- pursue QC liabilities, and settlements with States that use liability funds to improve program delivery;
- support States in improving accuracy with "best practices" information-sharing; and
- simplify program rules.

In the school meals programs, FNS will work with State agencies and school food authorities to improve counting and claiming accuracy. The agency has set an ambitious goal for improvement. Achieving this goal will require State agencies to provide effective training and to allocate resources efficiently, and will require robust implementation of corrective actions to resolve audit findings and reports.

In addition, FNS has ongoing concerns regarding the discrepancy between the number of children approved for free meals in the National School Lunch Program (NSLP) and the significantly lower number eligible for such meals. The agency is seeking funding to evaluate pilot projects that test alternatives to the current process of applying, and verifying eligibility, for these benefits.



### **Improve retailer/vendor compliance with program regulations**

Another critical area in the effort to minimize losses of program resources due to fraud and error is management of retail food stores that redeem program benefits. FNS is directly responsible for authorizing all retailers that participate in the FSP. While the agency authorizes all stores that apply and meet the eligibility criteria defined in law, at any given time not all stores authorized to accept food stamps meet the current eligibility requirements. Participating stores that do not meet these requirements pose a special risk for violations of program regulations. In fiscal year 2001, FNS will use contracted store visits, reauthorization activities, EBT store conversion activities, and new regulations clarifying eligibility criteria to maintain or reduce the percentage of authorized stores that do not meet all criteria.

FNS will also target sanction actions against stores violating program rules to discourage noncompliance. The agency uses automated systems including high redeemer reports, Fast Fredi and ALERT (Anti-Fraud Locator using EBT Retailer Transactions) to identify suspicious activity and potential violators. It will investigate suspicious stores with its own staff; encourage aggressive investigations by State law enforcement agencies; and take timely sanction actions against violating stores based on investigations by FNS, USDA's Office of Inspector General (OIG), and State law enforcement. Maintaining the number of sanction actions taken against violating stores is expected to help deter future violations. FNS has requested additional funding to augment its analysis of EBT data and other information about participating stores to better target enforcement action, and to increase cooperative efforts with other Federal, State, and local law enforcement agencies to pursue actions against violating stores.

Since there are about 178,000 stores authorized to redeem food stamps, FNS staff can only monitor a small percentage of them. Our performance target for this goal measures efficient maintenance of incentives for retailer compliance through the sanctioning system, given the level of resources available within FNS. Due to improved sophistication in targeting potential store violators, we expect to retain a steady level of sanctions, even as store compliance levels improve.

In the WIC Program, the agency intends to improve oversight of vendors by increasing training and technical assistance to State agencies. FNS will:

- convene a National WIC Integrity Meeting to inform State agencies on vendor management policies and best practices;
- issue The Integrity Profile (TIP) Report, to consolidate and share information on State vendor management activities;
- increase the ratio of WIC visits and investigations per number of vendors above the 1999 level; and
- work with State agencies to authorize only those WIC vendors needed for adequate participant access, to better focus scarce oversight and compliance resources.

### **Strengthen controls over participant error, fraud and abuse**

FNS also intends to reduce program losses by improving collection of Food Stamp overpayments from recipients, and by deterring program violations in FDIPIR and CSFP.

In the Food Stamp Program, claims are established against food stamp households that have received an overissuance in food stamp benefits. In recent years, FNS has increased both the rate at which claims are established and collected and the total dollar amount of claims collected; the agency seeks to continue to improve claims collection in fiscal year 2001. FNS will provide oversight and technical assistance to ensure States account effectively for recipient claims, and to decrease backlogs in identifying, processing and recording claims. FNS will also publish a final rule in fiscal year 2000 which will improve claims management and accountability while provide State agencies with increased flexibility in their claims collection efforts. However, FSP claims collection could be affected by a number of factors at the State level. While claims have increased as a result of Federal offset capabilities under welfare reform, these increases may level off or decline as State claims backlogs decrease.

FNS will also seek to strengthen participant penalties for program violations in FDPIR and CSFP, such as dual participation between FDPIR and the FSP, and between CSFP and the WIC Program. FNS published a new rule strengthening participant penalties in FDPIR in fiscal year 2000.

**Strengthen State/local management of CACFP/SFSP sponsors**

FNS will continue and enhance its effort to improve State and local management of the Child and Adult Care Food Program (CACFP) and the Summer Food Service Program (SFSP). Over the past several years, FNS has identified numerous instances of mismanagement and fraud among family day care home sponsors participating in the CACFP, and Federal audits have corroborated these findings. In response to this emerging problem:

- FNS convened a Management Improvement Task Force made up of Federal, State and local program administrators, that developed a National Training Program for Federal and State agency staff. The program provides training and technical assistance materials that give State agency personnel the information and tools necessary to address critical program integrity problems. A series of training conferences were completed in fiscal year 2000. In addition, FNS developed guidance and training materials for States to use in training their sponsors. In fiscal year 2000, and again in fiscal year 2001, all State agencies participating in CACFP will conduct training sessions, utilizing the newly-developed Task Force materials, for program sponsors. FNS staff will conduct oversight of the training in selected States, and will be available to support and participate in these sessions as requested by States.
- The agency is developing regulations to revise CACFP criteria for approving, renewing and terminating local sponsor participation; State- and institution-level monitoring requirements; and program training and other operating requirements for child care institutions and facilities. These changes will give States flexibility to better target monitoring efforts, provide new tools for identifying problem sponsors, and strengthen a State's ability to ensure effective local program administration.
- FNS is also proposing legislative changes to improve management of the CACFP at all administrative levels. Key provisions include:
  - changes in the sponsor approval process to help ensure that only demonstrably capable organizations needed to deliver benefits are admitted to the program;
  - grants to several States to implement quality standards for all participating day care homes and centers;
  - a cap on the funding that sponsors may withhold from center meal reimbursement for administrative costs;
  - permanent authorization of additional annual funding for Federal CACFP oversight;
  - authority to reallocate program audit funds to maximize their effectiveness; and
  - authority for States to retain a portion of program funds collected from institutions as a result of audits and reviews to supplement State administrative funding.
- FNS will target new Federal administrative resources, resulting both from the legislation and a requested increase under current authority, that will permit the agency to promote improved CACFP management through additional monitoring, training and technical assistance activities. Each regional office will implement an annual action plan for the use of these funds, and will report accomplishments and recommendations for next steps at the end of the year.

In fiscal years 2000 and 2001, FNS will conduct management evaluations of one State agency in each of the seven FNS regions as part of an expanded overall management evaluation strategy, to evaluate the success of these efforts in improving CACFP administration.

In the Summer Food Service Program, FNS is developing changes to program rules to improve and better target State oversight of program sponsors. These changes will go into effect in fiscal year 2000; the first baseline data available will thus be for that year. State performance in implementing the regulations and improving sponsor oversight will be measured through management evaluation reviews and audits.

**Recover lost program dollars through continued Debt Collection Improvement Act (DCIA) implementation**

FNS intends to continue progress toward full implementation of the DCIA. A key component of the Agency's strategy is to develop Federal-State electronic data transmission in order to support increased collection activity through the Federal Offset Program. Since States are currently not required by law to report on the delinquency of food stamp recipient claims, assessing performance in this area requires estimating the amount of debt eligible for referral to Treasury under the DCIA. In fiscal year 2000, FNS intends to publish a rule defining standards for establishing and collecting recipient claims; thereafter, FNS intends to adjust its target for referral of recipient claims in fiscal year 2001.

FNS currently refers a range of eligible delinquent retailer debts for Treasury's cross-servicing program; it is also working to clarify its process for managing and referring certain special retailer debts, such as court ordered fines and restitutions. In fiscal year 2000 and beyond, the Agency intends to improve Federal collection efforts by referring eligible debt to the Treasury Offset Program. At present, FNS is completing due notice and process requirements so that it can refer new debt for collection under this program.

Costs associated with the achievement of these performance goals, as measured through the indicators above, total \$37.7 million, including costs associated with 472 Federal staff-years.

**Verification and Validation:** Specific measurement and verification methods for different indicators are summarized below. Measures under Objective 2.1, particularly for the WIC and Child Nutrition Programs, are limited by the lack of comprehensive benefit accuracy data collection systems. FNS is not proposing to develop such systems because they would require a significant investment in Agency resources that would be better used for specific benefit accuracy and fraud reduction activities. Instead, FNS is committed to improving data collection in this area through improved use of studies, audits, and other available information sources.

*Benefit Accuracy:* In the Food Stamp Program, FNS will use the annual Quality Control statistical reports to measure the level of payment accuracy. These reports are based on a sample of 60,000 actual State FSP cases, and are verified through Federal sub-sampling and review, regression analysis, and on-site reviews of State operations.

FNS uses State reports to measure compliance with NSLP Performance Standard 1. FNS reviews this data for consistency, but cannot review for accuracy. In addition, review activity is targeted to selected SFAs, so the compliance rate does not represent all schools. States frequently target large SFAs and problem areas, so actual compliance may be better than the indicator shows. While no verification method is planned, OIG or GAO reports on meal counting could be used if such audits are undertaken.

*Retailer/Vendor Compliance:* FNS uses its retailer applications/updates data base to determine the eligibility rate of FSP authorized stores, and will verify the data using periodic, statistically-valid sampling. The Agency uses compliance activity information captured by the STARS (Store Tracking and Redemption System) to measure the number of sanctions brought against stores. Data in this system, which is used directly to track retailers, is entered by FNS staff, and includes numerous edits and checks to ensure completeness and consistency.

Information on the rate of WIC vendor sanctions per investigations and monitoring visits will be derived from The Integrity Profile (TIP) report, which summarizes actions and outcomes for State vendor management activities. The report uses data supplied by States from their vendor record databases. The ratio of WIC participants per vendor will be derived using TIP report data and participation data from the National Data Bank. (For a discussion of verification of NDB data, see the Verification and Validation section under Objective 1.1.)

*Recovery of Losses Due to Fraud and Error:* In the Food Stamp Program, FNS will use the quarterly reports (FNS-209) from States on their activities relating to claims against households and actual collections to determine the level of claims collected. The Agency has recently verified the reliability of these reports through a major on-site review of State claims management systems.

*Strengthening CACFP/SFSP Management:* FNS will verify achievement of the CACFP training and evaluation goals through its direct involvement in training activities. The Agency will measure State reviews of SFSP sponsors through management evaluation reviews and audits of State activities. FNS plans to target specific States for evaluation based on prior performance histories; therefore, the indicator may represent a lower-than-average level of State performance in this area.

*Implementing the Debt Collection Improvement Act:* Information about the percentage of eligible recipient debt transferred to Treasury is obtained and verified from FNS' internal records of transfers. As this information is derived from the electronic files of food stamp recipient claims that FNS uses to transfer eligible debt to Treasury, it is highly accurate and easily verified.

Data on referrals of retailer debt is derived from information on eligible delinquent retailer debt maintained in the Agency Financial Management System (AFMS), and FNS's administrative records of referrals to Treasury. The percentage of eligible delinquent debt referred to Treasury is easily verified through examination of these records. FNS is working to incorporate a "debt referred to Treasury" status code directly into AFMS, which is reviewed and validated annually as part of the OIG financial statement audit.

## **Objective 2.2: Improved efficiency of program administration**

<b>ANNUAL PERFORMANCE GOALS AND INDICATORS</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Target</b>	<b>FY 2001 Target</b>
Improve program design and delivery:				
% of FSP benefits issued by EBT	53%	69%	78%	82%
States initiating WIC delivery through EBT	1	1	2 <sup>15</sup>	5
Fairness in program delivery				
Complaints reviewed	509	262*	240*	240*
Days needed to issue decision	90	90	≤90	≤90
Improve agency management:				
High-Impact Projects launched	--	5	15	20
License to Improve Projects developed	--	120	200	300
Graduates of Leadership Institute	--	--	21	20
2001 milestones met in the <i>Food Distribution Reinvention Plan for School and Indian Programs</i> .	--	--	--	100%
2001 milestones met in the PCIMS updated system implementation plan.	--	--	--	100%
% of audits resolved timely	--	50%	70%	80%
% of FMFIA material deficiencies addressed timely	--	75%	90%	90%
% of senior-level positions (GS-13 and above) held by women	45%	48%	≥46% <sup>16</sup>	≥46%
% of senior-level positions (GS-13 and above) held by minorities	22%	23%	24% <sup>17</sup>	24%
% of minority males in FNS workforce	7.5%	8.5%	8.6%	8.7%
Total dollar value of funds obligated through purchase card or performance-based service contracts.	--	--	Establish baseline	To be Determined

<sup>15,16,17</sup> FY2000 performance target has been revised.

\* Figure does not include all regional cases

<b>ANNUAL PERFORMANCE GOALS AND INDICATORS</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Actual</b>	<b>FY 2000 Target</b>	<b>FY 2001 Target</b>
Upgrade financial management automated systems:				
Agency Financial Management System (AFMS) upgrade	--	Develop per schedule	Develop per schedule	Develop per schedule
National Data Bank (NDB) upgrade	--	Continue development	Continue development	Continue development
Independent financial statement audits	unqualified opinion	unqualified opinion	unqualified opinion	unqualified opinion
Expand use of new communications technologies:				
Average monthly number of hits on FNS website	--	--	Establish baseline	To be determined
Improve FNS infrastructure:				
% of FNS desktop computer workstations replaced Nationwide.	--	33%	33%	33%

**Discussion of Annual Performance Goals:** Objective 2.2 reflects the agency's efforts to ensure that the programs optimize the use of each Federal, State or local program dollar. It encompasses a wide range of functions whose relative importance could shift from year to year.

**By 2005, FNS plans to secure important efficiencies in program management and operations.** The key outcomes the agency is pursuing under this Strategic Objective focus on three areas: 1) effective accounting and reporting for appropriated funds; 2) improved customer service; and 3) elimination of unnecessary costs. While FNS continues efforts to construct tightly-focused measures for these outcomes, it is using the following proxy measures as indicators of administrative efficiency:

- Baseline: In 1998, 53% of FSP benefits were issued through electronic benefits transfer (EBT).  
**® Target: Reach 100% by 2005**
- Baseline: In 1997, one State issued WIC benefits by EBT.  
**® Target: Increase to 4 States by 2005**
- Baseline: In 1998, 45% of senior (GS-13 and above) agency positions were held by women; 22% by minorities. **® Target: Increase to 46% women and 22% minorities by 2005**
- Baseline: In 1998, the FNS workforce included 63% women; 32% minorities; 13% people with disabilities **® Target: Maintain baseline through 2005**

FNS pursues administrative efficiency through two broad strategies: improvements in program design and delivery, and improvements in internal agency management. For each, the agency examines internal and program-level business processes, and works to improve these processes through reengineering, new technologies, and other opportunities for innovation that result from a changing environment. These efforts form the basis for our performance goals.

In fiscal year 2001, FNS intends to pursue Objective 2.2 through five performance goals:

- 1. Improve program design and delivery**
- 2. Improve internal agency management**
- 3. Upgrade financial management systems**
- 4. Expand use of new communications technologies**
- 5. Improve FNS infrastructure**

These goals also support USDA's Management Initiatives 1 (treating all customers and employees fairly, equitably, and with dignity and respect), 3 (creating a unified system of information technology management), and 4 (improving financial management and reporting).

**Means and Strategies:** FNS will pursue its fiscal year 2001 performance goals for improving administrative efficiency through the following strategies:

**Improve program design and delivery**

*Implementing Electronic Benefit Transfer (EBT):* EBT offers a more effective system for providing benefits than the traditional paper coupons, and provides new tools in the fight against program fraud and abuse. FNS will provide technical assistance to States on EBT for the Food Stamp and WIC Programs, work with less active States to more aggressively implement FSP EBT, and continue to improve its own EBT related systems.

In WIC, the agency intends to promote EBT and other technology projects with targeted funding to promote effective customer service and funds accounting at the State level. Additional funding is requested in fiscal year 2001 to facilitate WIC State agencies progress toward EBT system development. FNS plans to focus this funding primarily on the 14 WIC state agencies currently involved in EBT development activities. EBT in WIC poses technology challenges significantly beyond those in the Food Stamp Program, because of the detail and complexity of benefit information that WIC EBT systems must accommodate. Successful expansion of EBT in WIC depends in part upon the ability of State agencies to incorporate EBT into their benefit delivery system in light of other State priorities, the affordability and availability of technology that support WIC EBT, and the successful partnership between States and WIC retailers in meeting technology requirements.

*Streamlining Commodity Program Rules:* In fiscal year 2000, FNS published a new rule to help streamline State and local program administration in TEFAP. In fiscal year 2001, the agency will continue to seek opportunities to streamline administration in the commodity programs.

*Fairness in Program Delivery:* FNS's Complaint Prevention and Resolution Program (CPR) was successfully piloted in fiscal year 1999. FNS will continue to encourage implementation to ensure that FNS program participants are treated fairly without regard to race, color, religion, age, sex, national origin, political beliefs, or disability, and that efficient and timely processes assure this guarantee.

*Studies and Evaluations:* FNS studies are critical to effective program administration. The agency seeks to restore this function in FNS in fiscal year 2001; if successful, study and evaluation efforts will focus on improving assessment and analysis of program integrity problems, providing technical support for policy development, and improving measures of program performance and outcomes. These funds are also necessary to address problem areas on a short term basis and to continue critical updates of basic program information, such as the characteristics of specific demographic groups eligible for, and participating in, FNS programs.

**Improve internal agency management**

*Leadership 2000 and Beyond* is the agency's total quality management (TQM) program—an overall umbrella for program and administrative process improvements and employee development efforts, to help improve customer service and spark employee driven innovation. *Leadership 2000 and Beyond* initiatives are accomplished through a number of modalities, including:

*License to Improve Projects:* The centerpiece of the *Leadership 2000 and Beyond* process is the agency-wide "License-to-Improve." Every FNS employee has been empowered to pursue innovative improvement in FNS's business processes. A wide range of employee-initiated projects have been implemented to date; this plan proposes an ambitious increase in such projects for fiscal year 2001.

*High Impact Projects:* These projects address urgent challenges facing the agency, and are completed by cross-agency teams of FNCS employees, partners, and customers, who work collaboratively to develop and implement solutions with six months of project launch. Teams are given intensive project management, problem solving, team development, and quality management training.

*Leadership Institute:* This program is intended to build FNS's future capacity by preparing talented staff members for future management and leadership roles. Selected employees are given high-quality training, self-assessment, mentoring, and special work assignments throughout the agency.

Through these and other efforts, *Leadership 2000 and Beyond* improves efficiency, performance, and customer service at FNS by working more closely with our partners and empowering employees to innovate.

In FY 2001, FNS will consolidate the delivery of human resource services, making resources available for other program activities without impairing customer service. In addition, work will be underway to provide a comprehensive slate of TQM development opportunities for FNS employees.

*Reinventing Food Distribution for School and Indian Programs:* Through USDA's *Food Distribution 2000* initiative, FNS is working with its USDA partners to improve choice, flexibility, and service in commodity distribution, while maintaining support for production agriculture. In fiscal year 2001, FNS will begin to implement a reinvention plan; the agency hopes to accomplish all 2001 milestones identified in the plan. FNS will also provide training for partners and cooperators to improve their ability to operate the programs.

*Implementing a New Commodity Management System:* The current automated system for tracking commodity orders and deliveries is not as conducive to change as a newer system would be. FNS will work closely with the Agricultural Marketing Service and Farm Service Agency, to develop and implement an updated system; by the end of FY 2001, FNS plans to have implementation underway.

*Promoting Workforce Diversity:* FNS is working to assure equal opportunity at all levels, in order to ensure that the organization as a whole can meet the agency mission and its challenges for the future. In fiscal year 2001, efforts will focus on improving hiring, recruitment, and retention of women and minorities for senior level positions, and of improving diversity among administrative and clerical positions.

*Improving Contracting and Purchasing:* FNS is working to increase its use of performance-based contracting, to improve contractor performance and accountability. In fiscal year 2001, the agency intends to increase the total dollar value of performance-based service contracts with past performance as an evaluation factor by at least 3 percent over FY 2000. FNS is also improving the efficiency and timeliness of small purchases with increased use of government purchase cards. In fiscal year 2001, the agency will seek to increase the dollar value of purchases made with these cards by at least 3 percent.

*Improving Internal Controls:* FNS intends to set and meet realistic goals for corrective action stated in management decisions for audit recommendations and Federal Managers Financial Integrity Act (FMFIA) corrective action plans. Most of FNS' reported material weaknesses are far-reaching, complex, and by nature inherent in program structure. The agency is working with the Office of the Chief Financial Officer (OCFO) to create a more meaningful process for reporting on true material weaknesses and the development of corrective action plans to address them.

*Strengthening Program Partnerships:* Accomplishment of the performance goals in this plan, as part of implementation of the FNS Strategic Plan, requires the support and "buy-in" of external program partners and stakeholders. FNS intends to use these plans to explore and develop strategies to achieve shared goals and objectives; by fiscal year 2001, the agency hopes to secure commitments with its State and local partners to work together to achieve the program improvements and performance targets in this plan.

#### **Upgrade financial management systems**

FNS automated financial systems are critical for providing timely, accurate financial data to program operators and policy makers. But FNS's current systems have outdated technology that limits system

capabilities and requires extensive maintenance and support. In fiscal year 2001, FNS will continue to upgrade the Agency Financial Management System (AFMS) and the National Data Bank (NDB).

In addition, oversight and accounting for financial and performance data generated by FNS's state and local program partners is critical to the agency's stewardship responsibilities. In fiscal year 2001, FNS will improve performance by updating financial statement preparation procedures; make significant progress toward implementation of agreed-upon audit recommendations for fiscal year 1997 and prior; and coordinate with all FNS-programs to ensure that accurate and timely data are reported. The ultimate indicator of performance is an unqualified opinion in FNS's financial statement audit.

#### **Expand use of new communications technologies**

The Internet increases FNS' ability to communicate internally and with its customers; the FNS Extranet is being developed to enable headquarters and regional offices to communicate with a range of program cooperators, including States, universities, advocacy groups and other stakeholders. The agency plans to better utilize these tools by tracking website usage volume and patterns. This information will help FNS to identify and implement improvements in its web sites to optimize their effectiveness.

#### **Improve FNS infrastructure**

FNS intends to continue its IT infrastructure modernization initiative. The achievement of this goal requires the periodic update of computer hardware and software. In FY 2001, the agency will replace its aging office software suite and one-third of its desktop computers.

Costs associated with the achievement of these performance goals, as measured through the indicators above, total \$13.9 million, including costs associated with 150.8 Federal staff-years.

**Verification and Validation:** Determination and verification of EBT-based benefit delivery volumes will be accomplished through direct contact with State agencies, from data reported to the National Data Bank, and through review of reconciliation reports for FSP benefit issuance (both coupon and EBT) and the STARS retailer tracking system.

USDA's Office of the Inspector General auditors will verify resolution of internal control problems, upgrades of financial management systems, and accuracy and completeness of financial statements.

FNS will compare the milestones in the FNS *Food Distribution 2000* implementation plans for the school commodity ordering process for the Indian Program, and for the PCIMS successor computer system with actual accomplishments, to determine progress in achieving its performance goals.

Much of the performance data for agency management and infrastructure initiatives will be derived from internal inventory records, as well as automated systems such as data collected by FNS' Contract Automated Reporting System (CARS), and the National Finance Center's Purchase Card Management System (PCMS). A commercial software product designed to analyze ongoing web traffic will be used to measure the use of the agency's Internet, Intranet, and Extranet resources. Internal administrative records, as well as surveys on customer satisfaction with employee development efforts, will be used to determine achievement of total quality management performance goals.



**CROSSWALK TO THE BUDGET PROGRAM AND FINANCING SCHEDULES**  
**SUMMARY OF AGENCY RESOURCE ALLOCATION FOR FY 2001**  
**PROGRAM LEVEL**  
**USDA, FOOD AND NUTRITION SERVICE**  
**(DOLLARS IN THOUSANDS)**

	Goal 1	Goal 2	Total
<b>FSP</b>			
Food Stamp Program	\$19,794,031	\$ 37,712	\$ 19,831,743
Nutritional Assistance to Puerto Rico	1,301,000		1,301,000
Food Distribution Programs on Indian Reservations	76,500		76,500
TEFAP Commodities	100,000		100,000
<b>Total Obligations</b>	<b>\$ 21,271,531</b>	<b>\$ 37,712</b>	<b>\$ 21,309,243</b>
<b>CNP</b>			
Program Grants to States	\$ 9,569,897	\$ 3,400	\$ 9,573,297
Commodities to States	350,873		350,873
Discretionary Activities	20,017	16,861	36,878
<b>Total Obligations</b>	<b>\$ 9,944,187</b>	<b>\$ 20,261</b>	<b>\$ 9,961,048</b>
<b>WIC</b>			
Grants to States for Supplemental Food	\$ 3,050,902		\$ 3,050,902
Costs for Nutrition Services and Administration	1,103,985		1,103,985
Infrastructure Grants	14,000		14,000
Studies and Evaluations		\$ 3,495	3,495
Technical Assistance	400		400
Projected Carryout	105,509		105,509
<b>Total Obligations</b>	<b>\$ 4,274,796</b>	<b>\$ 3,495</b>	<b>\$ 4,278,291</b>
<b>CAP</b>			
Commodity Supplemental Food Program	\$ 93,300		\$ 93,300
TEFAP Administrative Costs	45,000		45,000
Farmers Market Nutrition Program	20,000		20,000
<b>Total Obligations</b>	<b>\$ 158,300</b>		<b>\$ 158,300</b>
<b>FD</b>			
Pacific Island Assistance	\$ 1,081		\$ 1,081
Nutrition Program for the Elderly	150,000		150,000
<b>Total Obligations</b>	<b>\$ 151,081</b>		<b>\$ 151,081</b>
<b>FPA</b>			
Direct Program	\$ 34,797	\$ 75,615	\$ 110,412
Program Integrity Initiatives		8,000	8,000
Information Technology		500	500
Recruitment, Work Force Diversity		200	200
Colonias Initiative	5,000		5,000
<b>Total Obligations</b>	<b>\$ 39,797</b>	<b>\$ 84,315</b>	<b>\$ 124,112</b>
<b>Total dollars without CNPP</b>	<b>\$35,836,292</b>	<b>\$ 145,783</b>	<b>\$35,982,075</b>
<b>Total staff years without CNPP</b>	<b>539</b>	<b>1,292</b>	<b>1,831</b>
<b>Total dollars including CNPP</b>	<b>\$35,840,738</b>	<b>\$ 145,783</b>	<b>\$35,986,521</b>
<b>Total staff years including CNPP</b>	<b>569</b>	<b>1,292</b>	<b>1,861</b>

## Attachment 1: Detailed Breakout by P&F Schedule

	Goal 1	Goal 2	Total
<b>Summary of FY2001 Program Level</b>	<b>\$35,836,292</b>	<b>\$145,783</b>	<b>\$35,982,075</b>
<b>Program Detail</b>			
	Goal 1	Goal 2	Total
<b>A. Food Stamp Program</b>			
1. Food Stamps			
a. Benefit Costs	\$17,362,775		\$17,362,775
b. State Administrative Costs	\$2,045,500		\$2,045,500
c. Employment and Training	\$337,057		\$337,057
d. Other Program Costs	\$48,699	\$37,712	\$86,411
2. Nutrition Assistance for Puerto Rico	\$1,301,000		\$1,301,000
3. Food Distribution Program on Indian Reservations			
a. Commodities	\$53,943		\$53,943
b. Distributing Agency Admin	\$22,557		\$22,557
4. TEFAP	\$100,000		\$100,000
<b>Subtotal Food Stamp Account</b>	<b>\$21,271,531</b>	<b>\$37,712</b>	<b>\$21,309,243</b>
<b>B. Child Nutrition Programs:</b>			
1. Program grants to States:			
a. School Lunch Program	\$5,803,333		\$5,803,333
b. School Breakfast Program	\$1,495,684		\$1,495,684
c. Child and Adult Care Food Program	\$1,803,217	\$3,400	\$1,806,617
d. Summer Food Service Program	\$323,499		\$323,499
e. Special Milk Program	\$16,843		\$16,843
f. State Administrative Expenses	\$127,321		\$127,321
2. Commodities to States	\$350,873		\$350,873
3. Discretionary Activities:			
a. Team Nutrition	\$10,017		\$10,017
b. Food Safety Education	\$2,000		\$2,000
c. Coordinated Review		\$4,511	\$4,511
d. Nutrition Studies and Surveys		\$3,000	\$3,000
e. School Breakfast Demos	\$6,000	\$0	\$6,000
f. Nutrition Education and Training	\$2,000		\$2,000
g. Computer Support and Processing		\$9,350	\$9,350
<b>Subtotal CN Account</b>	<b>\$9,940,787</b>	<b>\$20,261</b>	<b>\$9,961,048</b>

**C. Special Supplemental Nutrition Program (WIC)**

1. Grants to States for Supplemental Food	\$3,050,902		\$3,050,902
2. Costs for Nutrition Services and Admin	\$1,103,985		\$1,103,985
3. Infrastructure Grants	\$14,000		\$14,000
4. Studies and Evaluations		\$3,495	\$3,495
5. Technical Assistance	\$400		\$400
6. Projected Carryout	\$105,509		\$105,509
<b>Subtotal WIC Account</b>	<b>\$4,274,796</b>	<b>\$3,495</b>	<b>\$4,278,291</b>

**D. Commodity Assistance Program**

1. Commodity Supplemental Food Program			
a. Commodities	\$74,640		\$74,640
b. Administrative Costs	\$18,660		\$18,660
2. TEFAP Administrative Costs	\$45,000		\$45,000
3. Farmers Market Nutrition Program	\$20,000		\$20,000
<b>Subtotal Commodity Assistance Programs</b>	<b>\$158,300</b>	<b>\$0</b>	<b>\$158,300</b>

**E. Food Donations Program for Selected Groups**

1. Pacific Island Assistance	\$1,081		\$1,081
2. Nutrition Program for the Elderly	\$150,000		\$150,000
<b>Subtotal Food Donations Programs</b>	<b>\$151,081</b>	<b>\$0</b>	<b>\$151,081</b>

**F. Food Program Administration**

1. Direct Program			
a. Headquarters/Under Secretary	\$11,464	\$23,276	\$34,740
b. Regional and Field Staff	\$24,361	\$49,460	\$73,821
c. Pay Costs	\$1,418	\$2,879	\$4,297
2. Program Integrity Initiatives		\$8,000	\$8,000
3. Nutrition Education and Promotion	\$2,000		\$2,000
4. Information Technology		\$500	\$500
5. Recruitment, Work Force Diversity		\$200	\$200
6. Colonias Initiative	\$5,000		\$5,000

<b>Subtotal Food Program Administration</b>	<b>\$44,243</b>	<b>\$84,315</b>	<b>\$128,558</b>
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<b>Food and Nutrition Service</b>	<b>\$39,797</b>	<b>\$84,315</b>	<b>\$124,112</b>
<b>Center for Nutrition Policy and Promotion</b>	<b>\$4,446</b>	<b>\$0</b>	<b>\$4,446</b>